



Arnold Schwarzenegger  
Governor

September 17, 2010  
22M:422:ldw:1057

Ms. Teresa Zimny, Deputy Director  
Napa Valley Workforce Investment Board  
650 Imperial Way, Suite 101  
Napa, CA 94559

Dear Ms. Zimny:

AMERICAN RECOVERY AND REINVESTMENT ACT  
PROGRAM REVIEW  
FINAL MONITORING REPORT  
PROGRAM YEAR 2009-10

This is to inform you of the results of our review for Program Year (PY) 2009-10 of the Napa Valley Workforce Investment Board's (NVWIB) activities funded by the American Recovery and Reinvestment Act of 2009 (ARRA). We focused this review on the following areas: program administration, local level monitoring, management information system/reporting, incident reporting, nondiscrimination and equal opportunity, grievance and complaint system, and program operations including ARRA activities and participant eligibility.

This review was conducted by Ms. Linda White from April 26, 2010 through April 30, 2010.

Our review was conducted under the authority of Sections 667.400 (a) and (c) and 667.410 of Title 20 of the Code of Federal Regulations (20 CFR). The purpose of this review was to determine the level of compliance by NVWIB with applicable federal and state laws, regulations, policies, and directives related to the ARRA grant.

We collected the information for this report through interviews with NVWIB representatives, service provider staff, and one ARRA participant. In addition, this report includes the results of our review of sampled case files, NVWIB's response to Sections I and II of the ARRA Program On-Site Monitoring Guide, and a review of applicable policies and procedures for PY 2009-10.

**BACKGROUND**

For PY 2009-10, NVWIB was allocated: \$78,385 to serve 28 adult participants; \$185,673 to serve 55 youth participants; and \$357,388 to serve 88 dislocated worker participants.

For the quarter ending March 2010, NVWIB reported the following expenditures for its ARRA funded activities: \$4,680 for adult participants; \$148,765 for youth participants; and \$29,042 for dislocated worker participants. In addition, NVWIB reported the following enrollments: 11 adult participants; 55 youth participants; and 19 dislocated worker participants. We reviewed case files for 38 of the 85 participants enrolled in ARRA funded activities as of April 26, 2010.

**PROGRAM REVIEW RESULTS**

While we conclude that, overall, NVWIB is meeting applicable ARRA requirements, we noted an instance of noncompliance in the area of Selective Service Registration. The finding that we identified in this area is specified below.

**FINDING 1****Requirement:**

Workforce Investment Act (WIA) Section 189(h) requires that participants must not have violated Section 3 of the Military Selective Service Act, which requires that every male citizen and every other male residing in the United States must register with the Selective Service System (SSS) between their 18<sup>th</sup> and 26<sup>th</sup> birth dates.

Workforce Investment Act Directive WIAD04-18 states, in part, that all males who are at least 18 years of age and born after December 31, 1959, and who are not in the armed services on activity duty, must be registered for Selective Service.

WIAD04-18 further states, any male over 26 years old who possesses a Status Information Letter from the SSS indicating that he was required to register, but did not, and now cannot be registered because the law does not allow for registration after the age of 26, is presumptively disqualified from participation in WIA-funded services and activities. The burden then falls on the applicant to provide evidence explaining why he failed to register with the SSS. This could include a written explanation from the applicant, stating his circumstances at the time of the required registration, and his reasons for not registering, together with supporting documentation.

Since the WIA grantee is now authorized to make these determinations for eligibility purposes, the WIA staff should evaluate the evidence presented by the applicant and make a determination regarding whether or not the applicants failure to register with the SSS when he was required to register is consistent with the above cited amendment to P.L. 99-661, §1366. If after reviewing the evidence, the LWIA determines that the preponderance of the evidence shows that a mans failure to register was not a knowing and willful failure and he is otherwise eligible, services may be granted.

**Observation:**

Of the nine case files reviewed that required Selective Service Registration, we found two case files missing appropriate documentation. Specifically, we found files missing: Selective Service Status Information Letter, written explanation from the applicant, and the LWIA verification of facts.

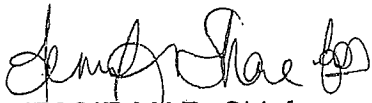
The NVWIB's current policy did not include obtaining a copy of the Status Information Letter as acceptable or required documentation.

Subsequent to our on-site review, NVWIB provided the missing documentation: written explanation from the applicant and the LWIA verification of facts for both participants as well as a revised Selective Service policy, which included the required language needed regarding obtaining Status Information Letters from all participants. We consider this issue resolved.

Because the methodology for our monitoring review included sample testing, this report is not a comprehensive assessment of all of the areas included in our review. It is NVWIB's responsibility to ensure that its systems, programs, and related activities comply with the ARRA grant program, federal and state regulations, and applicable state directives. Therefore, any deficiencies identified in subsequent reviews, such as an audit, would remain NVWIB's responsibility.

Please extend our appreciation to your staff for their cooperation and assistance during our review. If you have any questions regarding this report or the review that was conducted, please contact Ms. Jennifer Shane at (916) 654-7393 or Ms. Linda White at (916) 654-9052.

Sincerely,

A handwritten signature in black ink, appearing to read "Jessie-Mar", with a stylized flourish at the end.

JESSIE-MAR, Chief  
Compliance Monitoring Section  
Compliance Review Office

cc: Terri Austin, MIC 50  
Jose Luis Marquez, MIC 50  
Daniel Patterson, MIC 45  
Georganne Pintar, MIC 50